

AMENDED IN SENATE JANUARY 26, 2006

AMENDED IN SENATE SEPTEMBER 8, 2005

AMENDED IN SENATE AUGUST 29, 2005

AMENDED IN SENATE MAY 12, 2005

AMENDED IN SENATE APRIL 26, 2005

AMENDED IN SENATE APRIL 14, 2005

AMENDED IN SENATE APRIL 12, 2005

SENATE BILL

No. 1024

Introduced by Senators Perata and Torlakson
(Principal coauthors: Senators Migden, Murray, and Soto)
(Coauthors: Senators Alquist, Kehoe, Lowenthal, and Machado)
(Coauthors: Assembly Members Klehs, Negrete McLeod, and Yee)

February 22, 2005

An act to add Chapter 12.49 (commencing with Section 8879.20) to Division 1 of Title 2 of the Government Code, to add Chapter 3.6 (commencing with Section 50535) to Part 2 of Division 31 of the Health and Safety Code, and to add and repeal Section ~~2704.21~~ 2704.22 of, and to repeal Chapter 20 (commencing with Section 2704) of Division 3 of, the Streets and Highways Code, relating to public works and improvements by providing the funds necessary therefor through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds, ~~making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1024, as amended, Perata. Public works and improvements: bond measure.

~~(1) Existing law provides various funding sources for transportation purposes.~~

This bill would enact the Safe Facilities, Improved Mobility, and Clean Air Bond Act of ~~2005~~ *2006* to authorize ~~\$10,275,000,000 in an unspecified amount of~~ state general obligation bonds for specified purposes, including the state transportation improvement program, passenger rail improvements, levee improvements, flood control, restoration of Proposition 42 transportation funds, port infrastructure and security projects, trade corridors of significance, *transit security projects, grade separation projects, local bridge seismic upgrade projects, state-local partnership transportation projects*, emissions reduction projects, environmental enhancement projects, transit-oriented development, ~~transportation needs in cities, counties, and cities and counties that meet certain requirements relative to provisions of housing needs in their communities~~, and housing, regional growth, and infill development purposes, subject to voter approval.

This bill would require the Secretary of State to submit the proposed bond measure to the voters at the ~~November 7~~ *June 6, 2006*, election, *except as specified*.

This bill would establish the Transit-Oriented Development Implementation Program, to be administered by the Department of Housing and Community Development. ~~The bill would create the Transit-Oriented Development Fund in the State Treasury as a continuously appropriated fund, thereby making an appropriation, and would provide for certain moneys to be deposited in the fund.~~ These provisions would become operative only if the voters approve the bond act.

This bill would also provide for the repeal of certain provisions of existing law relating to the High-Speed Passenger Train Bond Act for the 21st Century if the voters approve this bond act.

This bill would enact other related provisions.

~~(2) This bill would declare that it is to take effect immediately as an urgency statute.~~

Vote: $\frac{2}{3}$ -majority. Appropriation: ~~yes~~-no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 12.49 (commencing with Section 8879.20) is added to Division 1 of Title 2 of the Government Code, to read:

CHAPTER 12.49. THE SAFE FACILITIES, IMPROVED MOBILITY,
AND CLEAN AIR BOND ACT OF ~~2005~~ 2006

Article 1. General Provisions

8879.20. (a) This chapter shall be known as the Safe Facilities, Improved Mobility, and Clean Air Bond Act of ~~2005~~ 2006.

(b) This chapter shall only become operative upon adoption by the voters at the ~~November 7~~ June 6, 2006, election.

8879.21. The Legislature finds and declares all of the following:

(a) Between 1970 and 1995, California's population increased 60 percent and the number of vehicle miles traveled on the state's highway system increased 170 percent, straining the state's already burdened transportation system and increasing the state's serious congestion problems.

(b) The volume of United States trade passing through California's ports in the year 2000 was valued at \$439 billion and estimated to be 40 percent of all goods entering the country. Trade in California is estimated to double between now and the year 2020.

(c) Congestion in and around California's seaports, airports, and other transportation terminals threatens the state's economy, increases traffic problems, and results in poor air quality, particularly in those communities near port and terminal facilities.

(d) California is now home to six of the nation's 25 most congested urban areas. Los Angeles, San Francisco, San Diego, Riverside, San Jose, and Sacramento are on this dubious list. This level of congestion costs Californians millions of dollars in lost time, lost production, and fuel costs.

(e) *California's congestion problems and strain on its transportation system are made worse by the lack of available*

1 affordable housing in the state's urban areas. To the extent
2 additional affordable housing can be maintained or provided in
3 the state's urban areas, additional traffic and related
4 expenditures on transportation facilities is avoidable, and allows
5 limited transportation resources to be deployed more efficiently.

6 (f) Only 15 percent of families statewide are able to afford the
7 median-priced home in California, now estimated at more than
8 four hundred fifty thousand dollars (\$450,000). California is
9 home to 21 of the 25 least affordable metropolitan areas in the
10 country for home ownership and 9 of the 10 least affordable
11 counties nationwide for renters.

12 (g) Increasingly, California working families endure longer
13 commute times as they seek affordable housing outside of the
14 urban areas in which they work. Commute times in each of the
15 state's 10 most populous counties have risen by double-digit
16 percentages over the last 10 years.

17 (h) Funding approved by the state's voters in 2002 for greater
18 production of affordable housing in California financed the
19 construction, rehabilitation, or preservation of 17,700 affordable
20 apartments, created or rehabilitated 9,055 shelter spaces, and
21 helped nearly 18,000 families become or remain homeowners.
22 Nearly all of the voter-approved funding for affordable housing
23 is expected to be awarded by the end of 2006.

24 (e)

25 (i) Despite increased pressures on the state's transportation
26 system, funds intended for investment in the system have not
27 materialized in recent years, delaying capacity and safety
28 improvements.

29 (f)

30 (j) During the 2003-04 and 2004-05 fiscal years, \$2.1 billion
31 in funding intended to be transferred to the Transportation
32 Improvement Fund (TIF) was retained in the General Fund,
33 denying the state's transportation system funds for improvements
34 and obligating the General Fund to repay those dollars in
35 2007-08 and 2008-09.

36 (g)

37 (k) Funding shortfalls—do not just impact traditional
38 transportation facilities. According compromise the state's ability
39 to expand transportation facilities and to fund important safety
40 improvements on those facilities:

(1) According to the Department of Water Resources (DWR), the absence of a dedicated funding stream to improve the state's 1,600 miles of levees has forced maintenance to be deferred, thereby jeopardizing the structural integrity of the levees that provide flood protection for 200,000 structures, 500,000 people, and two million acres of farmland, estimated to be valued at \$47 billion. *Levees also comprise or protect vital portions of the state highway system and local streets and roads, all of which would be subject to severe damage in the event of levee failure. Major affected transportation routes include State Highway Routes 4, 5, 12, 29, 80, 99, and 160.*

(2) According to the Department of Transportation, there are some 500 local bridges and overpasses requiring seismic retrofit work in order to sustain a credible seismic event in California.

(3) According to the Public Utilities Commission, there are scores of intersections where motor vehicle traffic crosses increasingly busy railroad lines at grade, creating unsafe conditions. With sufficient funding, many of the highest priority dangerous grade crossings can be improved by grade separations to separate the motor vehicle and train traffic.

~~(h)~~

(l) (1) The recently completed environmental studies by the High-Speed Rail Authority determined all of the following:

(A) By the year 2020, there will be 11 million more people living in California, who will take 100 million more intercity trips, which will clog up our already congested freeways and airports.

(B) A new state-of-the-art high-speed train network serving all major metropolitan areas of the state will best serve the increase in intercity travel demands of the future.

(C) The high-speed train network will cost less than one-third of the cost to serve intercity trips on the highways or at the airports.

(D) The high-speed train network is far more safe and reliable than the automobile and the ~~plane~~ airplane.

(E) The high-speed train network will be more environmentally friendly, save energy, and reduce air pollution.

(F) The high-speed train network will improve the state's economy and create 450,000 permanent jobs in California.

(2) Therefore, the construction of the high-speed train network as defined in the authority's final environmental impact report completed in 2005 is a high-priority transportation infrastructure project for the state and should be constructed on an incremental basis. This bond measure would provide the funding necessary for the first phase and the next four years of activities that can be accomplished towards building the high-speed train network, while providing rail improvements to improve the flow and enhance the safety of passenger and freight rail services in California.

(i)
(m) Enactment of the Safe Facilities, Improved Mobility, and Clean Air Act of ~~2005~~ 2006 would provide needed investment to make the necessary improvements to relieve traffic congestion, increase mobility, improve the state's trade corridors, strengthen the state's levees *and local bridges and overpasses*, improve air quality, provide incentives for the production of affordable housing *that will improve traffic flows from suburban to urban areas*, and keep California's economy strong.

8879.22. As used in this chapter, the following terms have the following meanings:

(a) "Board" means any department receiving an allocation from the Department of Finance.

(b) "Committee" means the Safe Facilities, Improved Mobility, and Clean Air Finance Committee created pursuant to Section 8879.27.

(c) "Fund" means the Safe Facilities, Improved Mobility, and Clean Air Bond Fund of ~~2005~~ 2006 created pursuant to Section 8879.23.

Article 2. Safe Facilities, Improved Mobility, and Clean Air
Bond Fund of ~~2005~~ 2006 and Program

8879.23. The Safe Facilities, Improved Mobility, and Clean Air Bond Fund of ~~2005~~ 2006 is hereby created in the State Treasury. The proceeds of bonds issued and sold pursuant to this chapter for the purposes specified in this chapter are hereby appropriated, without regard to fiscal years, to the ~~Department of Finance~~ *for Secretary of Business, Transportation and Housing for administration and allocation* in the following manner:

1 (a) ~~One billion five hundred million dollars (\$1,500,000,000)~~
2 ~~_____ dollars (\$_____)~~ for projects in the state transportation
3 improvement program, to augment funds otherwise available for
4 this purpose from other sources. The funds provided by this
5 subdivision shall be deposited in the Transportation Facilities
6 Account which is hereby created in the fund, and shall be
7 available ~~for appropriation~~, *upon appropriation by the*
8 *Legislature*, to the Department of Transportation ~~and for~~
9 ~~allocation~~, *as allocated* by the California Transportation
10 Commission.

11 (b) (1) ~~On billion dollars (\$1,000,000,000)_____ dollars~~
12 ~~(\$_____)~~ shall be deposited in the Flood Control Account, which
13 is hereby created in the fund. The money in the account shall be
14 available to the Department of Water Resources, the State
15 Reclamation Board, or any successor agency, upon appropriation
16 by the Legislature, for the inspection, evaluation, improvement,
17 construction, modification, and relocation of flood control levees,
18 weirs, or bypasses constructed in cooperation with the United
19 States, including related environmental mitigations and related
20 infrastructure relocations.

21 (2) The Legislature may enact any legislation as is necessary
22 to implement this subdivision.

23 (c) ~~Two billion three hundred million dollars (\$2,300,000,000)~~
24 ~~_____ dollars (\$_____)~~ for restoration of Proposition 42 (Article
25 XIX B) revenues, to be deposited in the Proposition 42
26 Repayment Account, which is hereby created in the fund. Money
27 deposited in the account shall be used by the Controller, in lieu of
28 moneys from the General Fund, to meet the transfer obligations
29 to the Transportation Deferred Investment Fund specified in
30 Sections 7105 and 7106 of the Revenue and Taxation Code as a
31 result of suspending the transfer of moneys from the General
32 Fund to the Transportation Investment Fund pursuant to Sections
33 14557.1 and 14558 of the Government Code with respect to the
34 2003-04 and 2004-05 fiscal years. Funds deposited in the
35 Transportation Deferred Investment Fund shall be ~~allocated~~
36 *continuously appropriated to the Controller for allocation* as
37 provided in Sections 7105 and 7106 of the Revenue and Taxation
38 Code as those sections read on January 1, 2005.

39 (d) ~~Two billion five hundred million dollars (\$2,500,000,000)~~
40 ~~_____ dollars (\$_____)~~ to be deposited in the California Ports

1 Infrastructure, Security, and Air Quality Improvement Account,
2 which is hereby created in the fund. The money in the account
3 shall be available, *upon appropriation by the Legislature*, as
4 follows:

5 (1) ~~Two billion dollars (\$2,000,000,000)~~ _____ dollars (\$_____)
6 shall be transferred to the Global Gateways Improvement Fund,
7 which is hereby created. The money in this fund shall be
8 available for allocation by the California Transportation
9 Commission for infrastructure improvements along
10 federally-designated “Trade Corridors of National Significance”
11 in this state or along other corridors within this state that have a
12 high volume of freight movement, as determined by the
13 commission. Applicants for these funds shall provide matching
14 funds from other revenues, in a percentage amount to be
15 determined by the commission. In determining projects eligible
16 for funding, the commission shall consult the Global Gateways
17 Development Program report prepared by the Business,
18 Transportation and Housing Agency pursuant to SCR 96
19 (Resolution Chapter 158, Statutes of 2000) or trade corridor
20 improvement projects identified in an approved regional
21 transportation plan. Eligible projects for these funds include all
22 of the following:

23 (A) Highway capacity improvements and operational
24 improvements to more efficiently accommodate the movement of
25 freight, particularly for ingress and egress to and from the state’s
26 seaports, land ports of entry, and airports, and to relieve traffic
27 congestion along major trade or goods movement corridors.

28 (B) Freight rail system improvements to enhance the ability to
29 move goods from seaports, land ports of entry, and airports to
30 warehousing and distribution centers throughout California,
31 including projects that separate rail lines from highway traffic
32 and other projects that improve the efficiency and capacity of the
33 rail freight system.

34 (C) Projects to enhance the capacity and efficiency of ports.

35 (2) ~~Four hundred million dollars (\$400,000,000)~~ _____ dollars
36 (\$_____) shall be available for transfer to the Carl Moyer
37 Memorial Air Quality Standards Attainment Trust Fund, created
38 pursuant to Section 44299 of the Health and Safety Code. Funds
39 under this paragraph shall be available for allocation by the State
40 Air Resources Board to reduce covered emissions from a covered

source, as those terms are defined in paragraphs (5) and (7) of subdivision (a) of Section 44275 of the Health and Safety Code, relative to sources used primarily in the operations of ports in this state.

(3) ~~One hundred million dollars (\$100,000,000)~~ _____ dollars (\$____) shall be available to the California Infrastructure and Economic Development Bank to be allocated, as grants, for port, harbor, and ferry terminal security improvements. ~~The money made available under this paragraph shall be continuously appropriated to the bank without regard to fiscal years.~~ Eligible applicants shall be publicly owned ports, harbors, and ferry boat and ferry terminal operators, which may submit applications for the following types of projects:

- (A) Video surveillance equipment.
- (B) Explosives detection technology, including, but not limited to, X-ray devices.
- (C) Cargo scanners.
- (D) Radiation monitors.
- (E) Thermal protective equipment.
- (F) Site identification instruments capable of providing a fingerprint for a broad inventory of chemical agents.
- (G) Other devices capable of detecting weapons of mass destruction using chemical, biological, or other similar substances.
- (H) Other security equipment to assist in any of the following:
 - (i) Screening of incoming vessels and incoming or outbound cargo.
 - (ii) Monitoring the physical perimeters of harbors, ports, and ferry terminals.
 - (iii) Providing or augmenting onsite emergency response capability.
- (I) Overweight cargo detection equipment, including, but not limited to, intermodal crane scales and truck weight scales.
- (J) Developing disaster preparedness or emergency response plans.

(e) ~~One hundred million dollars (\$100,000,000)~~ _____ dollars (\$____) to be deposited in the Transportation Project Enhancement and Mitigation Account, which is hereby created in the fund. The money in the account shall be ~~available for transfer~~ *transferred* to the Environmental Enhancement and Mitigation

1 Program Fund created pursuant to Section 164.56 of the Streets
2 and Highways Code, *and shall be continuously appropriated to*
3 *the Department of Transportation* for allocation to projects
4 pursuant to that section.

5 ~~(f) (1) Four hundred twenty-five million dollars~~
6 ~~(\$425,000,000) to be deposited in the Affordable Housing~~
7 ~~Incentive Program Account, which is hereby created in the fund.~~
8 ~~Funds shall be available, upon appropriation, to the California~~
9 ~~Transportation Commission for the purpose of providing~~
10 ~~transportation funding grants, upon application, to cities,~~
11 ~~counties, and cities and counties that meet a significant portion of~~
12 ~~their overall and affordable housing needs. In order to be eligible~~
13 ~~for funds pursuant to this subdivision, a city, county, or city and~~
14 ~~county shall meet all of the following criteria:~~

15 ~~(A) The city, county, or city and county has adopted a revised~~
16 ~~housing element in accordance with Section 65588 that the~~
17 ~~Department of Housing and Community Development has~~
18 ~~determined pursuant to Section 65585 to be in substantial~~
19 ~~compliance with the requirements of Article 10.6 (commencing~~
20 ~~with Section 65580) of Chapter 3 of Division 1 of Title 7. For the~~
21 ~~purposes of this paragraph, an adopted housing element that has~~
22 ~~been self-certified pursuant to Section 65585.1 shall be deemed~~
23 ~~to have been approved by the department, unless a court finds~~
24 ~~that the jurisdiction's housing element does not substantially~~
25 ~~comply with that article.~~

26 ~~(B) The city, county, or city and county has met, as~~
27 ~~determined by the Department of Housing and Community~~
28 ~~Development in accordance with the forms and definitions~~
29 ~~determined by the department pursuant to Section 65400, at least~~
30 ~~80 percent of its annualized overall housing need during the~~
31 ~~preceding year or 80 percent of its overall housing need from the~~
32 ~~beginning of the planning period, as determined pursuant to~~
33 ~~Section 65584.~~

34 ~~(C) The city, county, or city and county has met, as~~
35 ~~determined by the Department of Housing and Community~~
36 ~~Development in accordance with the forms and definitions~~
37 ~~determined by the department pursuant to Section 65400, at least~~
38 ~~30 percent of its annualized housing need for each of the very~~
39 ~~low, low-, and moderate-income categories during the preceding~~
40 ~~year or 30 percent of its overall housing need in each of the very~~

low, low-, and moderate-income categories from the beginning of the planning period, as determined pursuant to Section 65584.

(2) The Department of Housing and Community Development shall report annually to the California Transportation Commission a list of cities, counties, or cities and counties that have met the requirements of paragraph (1).

(3) The California Transportation Commission shall award funds available under this section over a five-year period.

(4) Funds awarded pursuant to this section shall be used for improvements to neighborhood streets and roads. Improvements, as used in this paragraph, mean those activities described in subdivision (e) of Section 7104 of the Revenue and Taxation Code.

(f) (1) ____ dollars (\$____) to be deposited in the Affordable Housing Account, which is hereby created in the fund. The money in the account shall be continuously appropriated in accordance with the following schedule:

(A) (i) ____ dollars (\$____) shall be transferred to the Housing Rehabilitation Loan Fund to be expended, except as provided in subparagraph (B), for the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code. The funds shall be expended for homes restricted to persons over age 65 years in at least the same proportion as the target population over age 65 years in the state bears to the total target population in the state as reported in the most recent census of the United States Census Bureau.

(ii) ____ dollars (\$____) shall be transferred to the Preservation Opportunity Fund and shall be available for the preservation of at-risk housing pursuant to Chapter 5 (commencing with Section 50600) of Part 2 of Division 31 of the Health and Safety Code).

(B) ____ dollars (\$____) shall be transferred to the Emergency Housing and Assistance Fund to be expended for the Emergency Housing and Assistance Program authorized by Chapter 11.5 (commencing with Section 50800) of Part 2 of Division 31 of the Health and Safety Code, except ____ dollars (\$____) shall be used to provide housing and shelter opportunities for the chronically homeless.

1 (C) ____ dollars (\$____) shall be transferred to the Housing
2 Rehabilitation Loan Fund to be expended for the Multifamily
3 Housing Program authorized by Chapter 6.7 (commencing with
4 Section 50675) of Part 2 of Division 31 of the Health and Safety
5 Code, to be used for supportive housing projects for individuals
6 and households moving from emergency shelters or transitional
7 housing or those at risk of homelessness. The Department of
8 Housing and Community Development shall provide for higher
9 per-unit loan limits as reasonably necessary to provide and
10 maintain rents affordable to those individuals and households.
11 For purposes of this subparagraph, “supportive housing” means
12 housing with no limit on length of stay, that is occupied by the
13 target population, as defined in subdivision (d) of Section 53260
14 of the Health and Safety Code, and that is linked to onsite or
15 offsite services that assist the tenant to retain the housing,
16 improve his or her health status, maximize his or her ability to
17 live, and, when possible, work in the community. The criteria for
18 selecting projects shall give priority to:

19 (i) Supportive housing for people with disabilities who would
20 otherwise be at high risk of homelessness where the applications
21 represent collaboration with programs that meet the needs of the
22 person’s disabilities.

23 (ii) Projects that demonstrate funding commitments from local
24 governments for operating subsidies or services funding, or both,
25 for five years or longer.

26 (D) ____ dollars (\$____) shall be transferred to the Joe
27 Serna, Jr. Farmworker Housing Grant Fund to be expended for
28 farmworker housing programs authorized by Chapter 3.2
29 (commencing with Section 50517.5) of Part 2 of Division 31 of
30 the Health and Safety Code.

31 (E) ____ dollars (\$____) shall be transferred to the Self-Help
32 Housing Fund. These funds shall be available to the Department
33 of Housing and Community Development, to be expended for the
34 purposes of the CalHome Program authorized by Chapter 6
35 (commencing with Section 50650) of Part 2 of Division 31 of the
36 Health and Safety Code, except ____ dollars (\$____) shall be
37 expended for construction management under the California
38 Self-Help Housing Program pursuant to subdivision (b) of
39 Section 50696 of the Health and Safety Code.

1 (F) _____ dollars (\$_____) shall be used for matching grants to
2 local housing trust funds for any purpose authorized under the
3 programs funded in subparagraphs (A) to (E), inclusive, and
4 subparagraph(G) that increases the supply of emergency
5 shelters, transitional homes, and permanent homes. Grants shall
6 be awarded pursuant to Section 50843 of the Health and Safety
7 Code.

8 (G) _____ dollars (\$_____) shall be transferred to the Self-Help
9 Housing Fund. These funds shall be available to the California
10 Housing Finance Agency, to be expended for the purposes of the
11 California Homebuyer's Downpayment Assistance Program
12 authorized by Chapter 11 (commencing with Section 51500) of
13 Part 3 of Division 31 of the Health and Safety Code. Up to _____
14 dollars (\$_____) of these funds may be expended pursuant to
15 subdivision (b) of Section 51504 of the Health and Safety Code.

16 (2) The Legislature may, from time to time, amend the
17 provisions of law related to programs to which funds are, or
18 have been, allocated pursuant to this subdivision for the purpose
19 of improving the efficiency and effectiveness of the program, or
20 for the purpose of furthering the goals of the program.

21 (3) The Bureau of State Audits shall conduct periodic audits to
22 ensure that bond proceeds are awarded in a timely fashion and
23 in a manner consistent with the requirements of this subdivision,
24 and that awardees of bond proceeds are using funds in
25 compliance with applicable provisions of this subdivision. The
26 first audit shall be conducted no later than one year from voter
27 approval of this chapter.

28 (4) The Department of Housing and Community Development
29 shall issue a report to the chairs of the Senate Transportation
30 and Housing Committee and Assembly Housing and Community
31 Development Committee by March 31 of each year showing how
32 funds that were made available pursuant this subdivision and
33 that were allocated in the prior year were expended. The
34 department also shall make the report available to the public.

35 (g) ~~Nine hundred seventy-five million dollars (\$975,000,000)~~
36 _____ dollars (\$_____) to be deposited in the Regional Housing
37 and Community Growth Incentive Account, which is hereby
38 created in the fund. The money in the account shall be ~~available~~
39 continuously appropriated as follows:

(1) ~~Twenty-five million dollars (\$25,000,000)~~ _____ dollars (\$____) shall be available to the secretary for grants for the development of regional growth plans in accordance with the following schedule:

(A) Grants to regional agencies with a population of one million or more: ~~fifteen million dollars (\$15,000,000)~~ _____ dollars (\$_____).

(B) Grants to regional agencies with a population of under one million: ~~ten million dollars (\$10,000,000)~~ _____ dollars (\$_____).

(2) ~~Seventy-five million dollars (\$75,000,000)~~ _____ dollars (\$____) shall be available to the secretary for grants to regional agencies for the establishment of revolving funds and for grants, to pay the costs incurred by local governments within the region to identify, review, and adopt any land use policies including amendments to general plans, community or neighborhood plans, zoning codes, subdivision codes, guidelines or planning policies necessary to authorize urban infill development in an area designated for that development in a regional growth plan. Eligible costs include those associated with compliance with Division 13 (commencing with Section 21000) of the Public Resources Code and costs necessary to conduct public outreach programs and facilitate citizen involvement in the plan development and approval process. Any fees recovered from project applicants that benefit from the plans and environmental review funded under this subdivision shall be transferred to the regional agency for use for the purposes of this subdivision or returned to the state at such time and under such terms as the secretary determines that further use of loan funds for these purposes is not required.

(3) ~~Two hundred million dollars (\$200,000,000)~~ _____ dollars (\$____) shall be available to the Secretary of Resources for competitive grants based on regional growth plans as follows:

(A) Grants shall be for the acquisition of wildlife habitat, open space, and easements on agricultural land consistent with an adopted and certified regional growth plan that contains a resource conservation element that analyzes and identifies mitigation for significant impacts on those resources considered in the regional growth plan.

(B) The regional agency may allow project applicants whose projects conform to the regional growth strategy to mitigate all or

1 a portion of their impacts on wildlife habitat, agricultural lands
2 and open space by payment of a fee, equal to the proportional
3 impacts of the project.

4 (C) The Secretary of Resources shall award grants pursuant to
5 this paragraph based on the applicant's demonstration, as
6 reviewed by the appropriate department within the Resources
7 Agency, that the grant will promote the following:

8 (i) Long term sustainable protection of wildlife habitat,
9 wildlife corridors, and prime agricultural land within the region.

10 (ii) The use of the grant funds will assist in the implementation
11 of land use policies of the regional growth plan, state planning
12 priorities specified pursuant to Section 65041.1 of the
13 Government Code, and with state policies for regional growth
14 that are consistent with those priorities, including the provisions
15 of SB 832 of the 2005-06 Regular Session, if that legislation is
16 enacted.

17 (iii) The use of the grant funds is consistent with other wildlife
18 protection plans and strategies within the region including any
19 natural community conservation plans, habitat conservation
20 plans, state approved open-space plans, or other regional
21 conservation plans.

22 ~~(iv) Project applicants are required to pay a fee equal to their~~
23 ~~proportional impacts.~~

24 ~~(v) All fees paid pursuant to paragraph (iv) are used by the~~
25 ~~regional agencies for additional conservation projects consistent~~
26 ~~with the provisions of this paragraph or are returned to the state~~
27 ~~under such terms as the secretary shall determine.~~

28 (D) No grant shall be made until an implementing agreement
29 has been executed between the secretary and the regional agency
30 that includes:

31 (i) Provisions identifying the conservation goals, scope and
32 geographical coverage of the plan.

33 (ii) Provisions identifying which public agencies or nonprofit
34 organizations will be responsible for acquisition, management,
35 and monitoring of conservation lands and easements under the
36 grant. To the extent feasible, public agencies responsible for
37 similar conservation activities should be used wherever that
38 capacity already exists in the region.

39 (iii) Provisions to ensure the monitoring of easements and the
40 protection of habitat values on lands acquired.

1 (iv) Provisions for the determination of mitigation credits and
2 fees, where applicable, and for the use of fees for additional
3 conservation expenditures under the plan.

4 (E) The secretary may impose such other conditions as are
5 necessary to meet the goals of this subdivision.

6 (4) (A) ~~Four hundred twenty-five million dollars~~
7 ~~(\$425,000,000)~~ _____ dollars (\$_____) shall be available to the
8 secretary for competitive infill incentive grants to local public
9 agencies that meet the following criteria:

10 (i) The local public agency is included in a regional growth
11 plan.

12 (ii) The local public agency has conformed its local planning
13 to the regional growth plan by adopting any land use policies
14 including amendments to its general plan, community or
15 neighborhood plans, zoning codes, subdivision codes, guidelines,
16 and ~~polices~~ *policies* necessary to provide for growth in those
17 areas designated for urban development and prohibiting or
18 limiting growth in those areas designated for other than urban
19 uses consistent with the regional growth plan.

20 (iii) The region meets the requirements for local plan
21 consistency for that round of grant funding.

22 (B) Grants pursuant to this paragraph shall be issued in four
23 annual grant cycles beginning two years after the enactment of
24 this chapter. To be eligible for a grant cycle, local public
25 agencies covering not less than the percentage of population in
26 the applicable region specified below must have met the
27 requirements of paragraph (ii). Conformity requirements for each
28 cycle are as follows:

29 (i) Grant cycle 1: 25 percent.

30 (ii) Grant cycle 2: 50 percent.

31 (iii) Grant cycle 3: 75 percent.

32 (iv) Grant cycle 4: 90 percent.

33 (C) The secretary shall establish additional criteria for the
34 award of infill incentive grants to local agencies based on the
35 degree to which the grants will assist the local public agency in
36 increasing infill development and urban revitalization in an area
37 designated by the regional growth plan for such development.

38 (D) Grant funds may be used for any capital outlay purpose
39 consistent with this subdivision including, but not limited to:

1 (i) Creation, development and rehabilitation of urban parks,
2 river parkways, and other public recreational facilities.

3 (ii) Urban greening projects including tree planting,
4 community landscaping and other improvements to enhance the
5 enjoyment and livability of urban neighborhoods.

6 (iii) Water, sewer, or other public utility infrastructure costs
7 associated with infill development.

8 (iv) Street, road or other transportation improvements
9 including transit improvements, bikeways, trolleys, and
10 pedestrian facilities.

11 ~~(5) Two hundred million dollars (\$200,000,000) shall be~~
12 ~~transferred to the Housing Rehabilitation Loan Fund to be~~
13 ~~expended pursuant to the Multifamily Housing Program~~
14 ~~authorized by Chapter 6.7 (commencing with Section 50675) of~~
15 ~~Part 2 of Division 31 of the Health and Safety Code to be used~~
16 ~~for projects that meet either of the following criteria:~~

17 ~~(A) The project is located in an area designated for infill~~
18 ~~development by a regional growth plan.~~

19 ~~(B) The project qualifies for an exemption from the California~~
20 ~~Environmental Quality Act pursuant to Sections 21159.22,~~
21 ~~21159.23, or 21159.24 of the Public Resources Code.~~

22 ~~(6) Fifty million dollars (\$50,000,000)~~

23 (5) _____ dollars (\$____) shall be transferred to the Orphan
24 Share Reimbursement Trust Fund to be expended by the
25 administrator pursuant to the provisions of the Orphan Share
26 Reimbursement Trust Fund established pursuant to Article 7.8
27 (commencing with Section 25390) of Chapter 6.8 of Division 20
28 of the Health and Safety Code to be used for projects that are
29 located in an area designated for infill development by a regional
30 growth plan.

31 ~~(7)~~

32 (6) The following definitions apply to this subdivision:

33 (A) “Secretary” means the Secretary of Business,
34 Transportation and Housing.

35 (B) “Neighborhood plan” means a plan that meets the
36 requirements of Section 65458 of the Government Code.

37 (C) “Regional agency” means a federally designated
38 metropolitan planning organization, or a council of governments
39 working with a metropolitan planning organization, for a region
40 with a population of greater than one million. It is the intent of

1 the Legislature that standards and procedures for the designation
2 of regional agencies in areas of less than one million in
3 population shall be enacted by statute not later than January
4 2007.

5 (D) “Regional Growth Plan” is a plan that meets the
6 requirements established in Section 65099 of the Government
7 Code for planning or incentive grants.

8 (E) “Infill development” means residential or mixed
9 commercial and residential development on an infill site as
10 defined in Section 21061.5 of the Public Resources Code, or in
11 an area of an incorporated city that is predominantly developed
12 with qualified urban uses and which has been designated for
13 infill development by a regional growth plan.

14 (h) (1) ~~Two hundred million dollars (\$200,000,000) —~~
15 ~~dollars (\$_____)~~ shall be deposited in the Flood Control Matching
16 Account, which is hereby created in the fund. The money in the
17 account shall be available, *upon appropriation by the*
18 *Legislature*, to the Department of Water Resources for the
19 purposes of funding the state’s share of the nonfederal costs of
20 flood control and flood prevention projects adopted and
21 authorized as of January 1, 1999, under the State Water
22 Resources Law of 1945 (Chapter 1 (commencing with Section
23 12570) and Chapter 2 (commencing with Section 12639) of Part
24 6 of Division 6 of the Water Code), the Flood Control Law of
25 1946 (Chapter 3 (commencing with Section 12800) of Part 6 of
26 Division 6 of the Water Code), and the California Watershed
27 Protection and Flood Prevention Law (Chapter 4 (commencing
28 with Section 12850) of Part 6 of Division 6 of the Water Code),
29 including the credits and loans to local agencies pursuant to
30 Sections 12585.3 and 12585.4, subdivision (d) of Section
31 12585.5, and Sections 12866.3 and 12866.4 of the Water Code,
32 and to implement Chapter 3.5 (commencing with Section 12840)
33 of Part 6 of Division 6 of the Water Code.

34 (2) It is the intent of the Legislature that the state’s share of the
35 nonfederal costs of projects for flood control and flood
36 prevention adopted and authorized after January 1, 2001, shall
37 not exceed that portion of the nonfederal costs authorized
38 pursuant to Chapter 1, (commencing with Section 12570) of Part
39 6 of Division 6 of the Water Code, or any amendments thereto.

1 (i) (1) ~~One billion dollars (\$1,000,000,000)~~ _____ *dollars*
2 (\$____) to be deposited in the California Rail Corridor
3 Improvement Account, which is hereby created in the fund.
4 Funds shall be available, upon appropriation by the Legislature,
5 to the High-Speed Rail Authority created pursuant to Division
6 19.5 (commencing with Section 185000) of the Public Utilities
7 Code, without regard to fiscal year, for expenditure pursuant to
8 paragraph (2).

9 (2) Funds made available pursuant to this subdivision shall be
10 expended for the following specific corridor segments and
11 purposes:

12 (A) ~~Two hundred million dollars (\$200,000,000)~~ _____ *dollars*
13 (\$____) for the Los Angeles-Irvine segment of the LOSSAN
14 corridor, for project-specific level environmental studies,
15 planning, engineering, right-of-way acquisition, and construction
16 of grade separations, bridges, and tracks. The authority shall
17 develop a consolidated rail plan for the development of passenger
18 rail services in the portion of the LOSSAN corridor between Los
19 Angeles and Irvine. The plan shall formulate strategies to
20 integrate commuter and intercity passenger rail systems and
21 existing rail freight services operating in the corridor segment,
22 improve interfaces with connecting services, and coordinate
23 investments with transit-supportive land use. The plan shall be
24 developed in cooperation with the Los Angeles County
25 Metropolitan Transportation Authority (MTA) and the Orange
26 County Transportation Authority (OCTA). The authority shall
27 provide day-to-day management and technical support for the
28 development of the plan with advice from MTA and OCTA, with
29 input from other Los Angeles and Orange County transportation
30 agencies, the Department of Transportation, Amtrak, railroad
31 freight operators, any other affected agencies, and the general
32 public. The funds may not be used for any right-of-way or
33 construction projects or activity until the final consolidated rail
34 plan is adopted by the authority, MTA, and OCTA.

35 (B) ~~Two hundred million (\$200,000,000)~~ _____ *dollars*
36 (\$____) for the Los Angeles-Riverside-San Diego corridor
37 segment, for project-specific level environmental studies,
38 planning, engineering, right-of-way acquisition, and construction
39 of grade separations, bridges, and tracks. The authority shall
40 develop a consolidated rail plan for the development of passenger

1 rail services in the corridor segment between Los Angeles and
2 Riverside. The plan shall formulate strategies to integrate
3 commuter and intercity passenger rail systems and existing rail
4 freight services operating in the corridor segment, improve
5 interfaces with connecting services, and coordinate investments
6 with transit-supportive land use. The plan shall be developed in
7 cooperation with the Los Angeles County Metropolitan
8 Transportation Authority (MTA) and the Riverside County
9 Transportation Commission (RCTC). The authority shall provide
10 day-to-day management and technical support for the
11 development of the plan with advice from MTA and RCTC, with
12 input from other Los Angeles, San Bernardino, and Riverside
13 County transportation agencies, the Department of
14 Transportation, Amtrak, railroad freight operators, any other
15 affected agencies, and the general public. The funds may not be
16 used for any right-of-way or construction projects or activity
17 until the final consolidated rail plan is adopted by the authority,
18 MTA, and RCTC.

19 (C) ~~Two hundred million dollars (\$200,000,000)~~ _____ dollars
20 (\$____) for the Los Angeles-Palmdale-Bakersfield corridor
21 segment, for project-specific level environmental studies,
22 planning, engineering, right-of-way acquisition, and construction
23 of grade separations, bridges, and tracks.

24 (D) ~~Two hundred million dollars (\$200,000,000)~~ _____ dollars
25 (\$____) for the Bakersfield-Merced corridor segment, for
26 project-specific level environmental studies, planning,
27 engineering, right-of-way acquisition, and construction of grade
28 separations, bridges, and tracks.

29 (E) ~~Two hundred million dollars (\$200,000,000)~~ _____ dollars
30 (\$____) for the Merced-Bay Area corridor segment, for
31 project-specific level environmental studies, planning,
32 engineering, right-of-way acquisition, and construction of grade
33 separations, bridges, and tracks.

34 (3) The authority may transfer funds between the corridor
35 segments identified in paragraph (2) if all of the following
36 conditions are met:

37 (A) The availability of matching funds in a particular corridor
38 segment will result in a lower cost to the state for the
39 construction of the entire network.

1 (B) The total amount of transfers does not exceed ~~two hundred~~
2 ~~million dollars (\$200,000,000)~~ ____ dollars (\$____).

3 (C) Not more than one-third of the funds specified in
4 paragraph (2) for any corridor segment are transferred.

5 (4) The authority may not use funds made available under this
6 subdivision for right-of-way acquisition or construction in the
7 Los Angeles-Irvine or Los Angeles-Riverside corridor segments
8 until a consolidated rail plan is adopted pursuant to paragraph
9 (2). If a consolidated rail plan has not been adopted by 2010, the
10 authority may transfer funds from a corridor segment that lacks
11 an adopted plan to another corridor segment. That transfer shall
12 not be subject to the conditions of paragraph (3).

13 (5) Notwithstanding paragraph (2), the authority may use the
14 funds made available pursuant to paragraph (2) for the following
15 additional purposes without regard to corridor segment:

16 (A) Matching federal funds made available for high-speed
17 train purposes not specified in paragraph (2).

18 (B) Planning, development, certification, and selection of a
19 high-speed train system, including, but not limited to, rolling
20 stock, signal systems, and electric power systems.

21 (6) As used in this subdivision, the following terms have the
22 following meanings:

23 (A) “Authority” means the High-Speed Rail Authority.

24 (B) “High-speed train network” means the tracks, stations,
25 rolling stock, and related facilities that are necessary for the
26 operation of the high-speed train service as is further defined
27 under the preferred alternatives section in the program level
28 environmental report issued by the authority in 2005.

29 (C) “High-speed train project” means all activities that are
30 necessary for the construction and operation of the high-speed
31 train network.

32 (j) ~~Two hundred seventy-five million dollars (\$275,000,000)~~
33 ____ dollars (\$____) to be deposited in the Transit-Oriented
34 Development Account, which is hereby created in the fund, for
35 transfer to the Transit-Oriented Development Implementation
36 Fund, for expenditure, *upon appropriation by the Legislature*,
37 pursuant to the Transit-Oriented Development Implementation
38 Program authorized by Chapter 3.6 (commencing with Section
39 50535) of Part 2 of Division 31 of the Health and Safety Code.

1 (k) ____ dollars (\$____) to be deposited in the Local Bridge
2 Seismic Retrofit Account, which is hereby created in the fund.
3 The funds in the account shall be used, upon appropriation by
4 the Legislature, to provide the 11.5 percent required match for
5 federal Highway Bridge Replacement and Repair funds available
6 to the state for seismic work on local bridges and overpasses, as
7 identified by the Department of Transportation.

8 (l) ____ dollars (\$____) to be deposited in the State-Local
9 Partnership Program Account, which is hereby created in the
10 fund. The funds shall be available, upon appropriation by the
11 Legislature, for allocation by the California Transportation
12 Commission to transportation projects nominated by counties in
13 which voters have adopted a transportation transactions and use
14 tax. A dollar for dollar match of local funds shall be required for
15 a county to receive state funds under this program.

16 (m) ____ dollars (\$____) to be deposited in the Transit System
17 Security Account, which is hereby created in the fund. Funds in
18 the account shall be available, upon appropriation by the
19 Legislature, for allocation to transit and rail operators for
20 capital projects that provide increased protection against a
21 security and safety threat. Fifty percent of available funds shall
22 be allocated to transit and rail operators based on the federal
23 funding formula applicable to federal homeland security funds
24 made available to the state for this purpose, which formula
25 includes a risk assessment of large transit systems conducted by
26 the federal Office for Domestic Preparedness. The remaining 50
27 percent of available funds in the account shall be available for
28 allocation to transit operators in a manner that maximizes the
29 use of available federal funds made available to this state for
30 transit security purposes, matches funds to the highest priority
31 projects based on a risk assessment performed by the state Office
32 of Homeland Security, and provides funds first to projects that
33 are in the construction phase or otherwise can be completed in
34 the quickest possible timeframe. The Office of Homeland Security
35 shall report to the Legislature on March 1 of each year on how
36 funds in this account were expended for that fiscal year.

37 (n) ____ dollars (\$____) to be deposited in the Grade
38 Separation Account, which is hereby created in the fund. Funds
39 in the account shall be continuously appropriated to the
40 Department of Transportation and made available for allocation

pursuant to the process established in Chapter 10 (commencing with Section 2450) of Division 3 of the Streets and Highways Code, except that a dollar for dollar match of nonstate funds shall be provided for each project, and the limitation on maximum project cost in subdivision (g) of Section 2454 shall not be applicable to projects funded with these funds. Before allocating funds from this account for any project or projects, the commission shall coordinate and consult with the department and the High-Speed Rail Authority.

Article 3. Fiscal Provisions

8879.25. Bonds in the total amount of ~~ten billion two hundred seventy-five million dollars (\$10,275,000,000)~~, ____ dollars (\$____), exclusive of refunding bonds, or so much thereof as is necessary, are hereby authorized to be issued and sold for carrying out the purposes expressed in this chapter and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5. All bonds herein authorized which have been duly sold and delivered as provided herein shall constitute valid and legally binding general obligations of the state, and the full faith and credit of the state is hereby pledged for the punctual payment of both principal and interest thereof.

8879.26. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4), except Section 16727, and all of the other provisions of that law as amended from time to time apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.

8879.27. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this chapter, the Safe Facilities, Improved Mobility, and Clean Air Finance Committee is hereby created. For the purposes of this chapter, the Safe Facilities, Improved Mobility, and Clean Air Finance Committee is “the committee” as that term is used in the State General Obligation Bond Law. The committee consists of the Treasurer, the Controller, the Director of Finance, and the Secretary of the

1 Business, Transportation and Housing Agency, or a designated
2 representative of each of those officials. The Treasurer shall
3 serve as the chairperson of the committee. A majority of the
4 committee may act for the committee.

5 (b) The committee may adopt guidelines establishing
6 requirements for administration of its financing programs to the
7 extent necessary to protect the validity of, and tax exemption for,
8 interest on the bonds. The guidelines shall not constitute rules,
9 regulations, orders, or standards of general application.

10 (c) For the purposes of the State General Obligation Bond
11 Law, any department receiving an allocation from the
12 Department of Finance is designated to be the “board.”

13 8879.28. Upon request of the board stating that funds are
14 needed for purposes of this chapter, the committee shall
15 determine whether or not it is necessary or desirable to issue
16 bonds authorized pursuant to this chapter in order to carry out the
17 actions specified in Section 8879.23, and, if so, the amount of
18 bonds to be issued and sold. Successive issues of bonds may be
19 authorized and sold to carry out those actions progressively, and
20 be sold at any one time. Bonds may bear interest subject to
21 federal income tax.

22 8879.29. There shall be collected annually, in the same
23 manner and at the same time as other state revenue is collected, a
24 sum of money in addition to the ordinary revenues of the state,
25 sufficient to pay the principal of, and interest on, the bonds as
26 provided herein, and all officers required by law to perform any
27 duty in regard to the collections of state revenues shall collect
28 that additional sum.

29 8879.30. Notwithstanding Section 13340, there is hereby
30 appropriated from the General Fund in the State Treasury, for the
31 purposes of this chapter, an amount that will equal the total of the
32 following:

33 (a) The sum annually necessary to pay the principal of, and
34 interest on, bonds issued and sold pursuant to this chapter, as the
35 principal and interest become due and payable.

36 (b) The sum which is necessary to carry out Section 8879.32,
37 appropriated without regard to fiscal years.

38 8879.31. The board may request the Pooled Money
39 Investment Board to make a loan from the Pooled Money
40 Investment Account, in accordance with Section 16312, for

1 purposes of this chapter. The amount of the request shall not
2 exceed the amount of the unsold bonds which the committee has,
3 by resolution, authorized to be sold for the purpose of this
4 chapter, less any amount withdrawn pursuant to Section 8879.32.
5 The board shall execute any documents as required by the Pooled
6 Money Investment Board to obtain and repay the loan. Any
7 amount loaned shall be deposited in the fund to be allocated in
8 accordance with this chapter.

9 8879.32. For the purpose of carrying out this chapter, the
10 Director of Finance may, by executive order, authorize the
11 withdrawal from the General Fund of any amount or amounts not
12 to exceed the amount of the unsold bonds which the committee
13 has, by resolution, authorized to be sold for the purpose of
14 carrying out this chapter. Any amounts withdrawn shall be
15 deposited in the Safe Facilities, Improved Mobility, and Clean
16 Air Bond Fund of ~~2005~~ 2006. Any money made available under
17 this section shall be returned to the General Fund, plus the
18 interest that the amounts would have earned in the Pooled Money
19 Investment Account, from money received from the sale of
20 bonds which would otherwise be deposited in that fund.

21 8879.33. The bonds may be refunded in accordance with
22 Article 6 (commencing with Section 16780) of the State General
23 Obligation Bond Law. Approval by the electors of this act shall
24 constitute approval of any refunding bonds issued pursuant to the
25 State General Obligation Bond Law.

26 8879.34. Notwithstanding any provisions in the State General
27 Obligation Bond Law, the maximum maturity of any bonds
28 authorized by this chapter shall not exceed 30 years from the date
29 of each respective series. The maturity of each series shall be
30 calculated from the date of each series.

31 8879.35. The Legislature hereby finds and declares that,
32 inasmuch as the proceeds from the sale of bonds authorized by
33 this chapter are not “proceeds of taxes” as that term is used in
34 Article XIII B of the California Constitution, the disbursement of
35 these proceeds is not subject to the limitations imposed by that
36 article.

37 8879.36. Notwithstanding any provision of the State General
38 Obligation Bond Law with regard to the proceeds from the sale
39 of bonds authorized by this chapter that are subject to investment
40 under Article 4 (commencing with Section 16470) of Chapter 3

1 of Part 2 of Division 4, the Treasurer may maintain a separate
2 account for investment earnings, order the payment of those
3 earnings to comply with any rebate requirement applicable under
4 federal law, and may otherwise direct the use and investment of
5 those proceeds so as to maintain the tax-exempt status of those
6 bonds and to obtain any other advantage under federal law on
7 behalf of the funds of this state.

8 ~~SEC. 1.3.~~

9 *SEC. 2.* Chapter 3.6 (commencing with Section 50535) is
10 added to Part 2 of Division 31 of the Health and Safety Code, to
11 read:

12
13 CHAPTER 3.6. TRANSIT-ORIENTED DEVELOPMENT
14 IMPLEMENTATION PROGRAM
15

16 50535. There is hereby established the Transit-Oriented
17 Development Implementation Program, to be administered by the
18 Department of Housing and Community Development, to
19 provide local assistance to cities, counties, cities and counties,
20 transit agencies, and developers for the purpose of developing or
21 facilitating the development of higher density uses within close
22 proximity to transit stations that will increase public transit
23 ridership.

24 50535.1. (a) There is hereby created in the State Treasury the
25 Transit-Oriented Development Implementation Fund.

26 ~~(b) Notwithstanding Section 13340 of the Government Code,~~
27 ~~all money in the fund, including any interest on loans made from~~
28 ~~the fund, is hereby continuously appropriated to the department~~
29 ~~for the purpose of carrying out this chapter.~~

30 *(b) Interest on loans made from the fund shall be deposited in*
31 *the fund.*

32 (c) All interest, dividends, and pecuniary gains from
33 investments or deposits of moneys in the fund shall accrue to the
34 fund, notwithstanding Section 16305.7 of the Government Code.
35 There shall be paid into the fund all of the following:

36 (1) Any moneys appropriated and made available by the
37 Legislature for the purposes of the fund.

38 (2) Any moneys that the department receives in repayment of
39 loans made from the fund, including any interest on loans made
40 from the fund.

1 (3) Any other moneys that may be made available to the
2 department for the purposes of this chapter from any other
3 source.

4 50535.2. (a) To the extent that funds are available, the
5 department shall make grants to cities, counties, cities and
6 counties, or transit agencies for the provision of infrastructure
7 necessary for the development of higher density uses within close
8 proximity to a transit station, or to facilitate connections between
9 that development and the station.

10 (b) To the extent that funds are available, the department shall
11 make loans for the development and construction of a housing
12 development project within close proximity to a transit station.
13 To be eligible for a loan, at least 15 percent of the units in the
14 proposed development shall be made available at an affordable
15 rent or at an affordable housing cost to persons of very low or
16 low income for at least 55 years. Developments assisted pursuant
17 to this subdivision shall be on parcels at least a portion of which
18 are located within one-quarter mile of a transit station. A housing
19 development project may include a mixed-use development
20 consisting of residential and nonresidential uses.

21 (c) As used in this chapter, “transit station” shall have the
22 same meaning as defined in subdivision (b) of Section 65460.1 of
23 the Government Code.

24 50535.3. (a) In ranking applications pursuant to this chapter,
25 the department shall, among other criteria, consider the extent to
26 which the project or development will increase public transit
27 ridership and minimize automobile trips.

28 (b) The department shall also grant bonus points to projects or
29 developments that are within the boundaries of a transit village
30 development plan adopted pursuant to the Transit Village
31 Development Planning Act of 1994 (Article 8.5 (commencing
32 with Section 65460) of Chapter 3 of Division 1 of Title 7 of the
33 Government Code) or that are in an area designated by the
34 appropriate council of governments for infill development as part
35 of a regional plan.

36 50535.4. (a) The department may use up to 5 percent of the
37 funds appropriated for the purposes of this chapter for its costs in
38 administering the programs authorized by this chapter.

39 (b) The department may administer the programs pursuant to
40 guidelines that shall not be subject to the requirements of Chapter

1 3.5 (commencing with Section 11340) of Division 3 of Title 2 of
2 the Government Code.

3 50535.5. This chapter shall become operative only if the
4 voters approve the Safe Facilities, Improved Mobility, and Clean
5 Air Bond Act of ~~2005~~ 2006, as contained in SB 1024 of the
6 2005-06 Regular Session.

7 ~~SEC. 1.7.~~

8 *SEC. 3.* Section ~~2704.21~~2704.22 is added to the Streets and
9 Highways Code, to read:

10 ~~2704.21.~~

11 2704.22. If the voters approve the Safe Facilities, Improved
12 Mobility, and Clean Air Bond Act of ~~2005~~ 2006, as contained in
13 SB 1024 of the 2005-06 Regular Session, this chapter shall be
14 repealed on the date of that approval, and no bonds shall be sold
15 pursuant to this chapter, and, notwithstanding any other provision
16 of law, the bond act that is the subject of this chapter shall not be
17 placed on the ballot if it has not yet appeared on a ballot.

18 ~~SEC. 2.~~

19 *SEC. 4.* Section 1 of this act shall become operative upon
20 adoption by the voters of the Safe Facilities, Improved Mobility,
21 and Clean Air Bond Act of ~~2005~~ 2006, as set forth in Section 1 of
22 this act.

23 ~~SEC. 3.~~

24 *SEC. 5.* (a) Notwithstanding Sections 9040, 9043, 9044,
25 9061, and 9094 of the Elections Code, or any other provision of
26 law, the Secretary of State shall submit Section 1 of this act to
27 the voters at the ~~November 7, 2006~~ June 6, 2006, election.

28 (b) The Secretary of State shall ensure the placement of
29 Section 1 of this act on the ~~November 7, 2006~~ June 6, 2006,
30 election ballot, in substantial compliance with any statutory time
31 requirements applicable to the submission of statewide measures
32 to the voters at a statewide election.

33 (c) The Secretary of State shall include, in the ballot pamphlet
34 mailed pursuant to Section 9094 of the Elections Code, the
35 information specified in Section 9084 of that code regarding the
36 bond act contained in Section 1 of this act.

37 (d) *Notwithstanding subdivisions (a), (b), and (c), the*
38 *Secretary of State shall not submit Section 1 of this act to the*
39 *voters unless the act enacting this section becomes operative*
40 *before April 1, 2006.*

1 ~~SEC. 4.~~

2 ~~SEC. 6.~~ Notwithstanding any other provision of law, all
3 ballots shall have printed thereon and in a square thereof, the
4 words: “ Safe Facilities, Improved Mobility, and Clean Air Bond
5 Act of 2005 2006,” and in the same square under those words,
6 the following in 8-point type: “This act provides for a bond issue
7 of ~~ten billion two hundred seventy-five million dollars~~
8 ~~(\$10,275,000,000)~~ _____ dollars (\$____) to provide funds for an
9 essential *transportation and* public works facilities ~~retrofit~~
10 *improvement* program.” Opposite the square, there shall be left
11 spaces in which the voters may place a cross in the manner
12 required by law to indicate whether they vote for or against the
13 act.

14 Where the voting in the election is done by means of voting
15 machines used pursuant to law in the manner that carries out the
16 intent of this section, the use of the voting machines and the
17 expression of the voters’ choice by means thereof are in
18 compliance with this section.

19 ~~SEC. 5. This act is an urgency statute necessary for the~~
20 ~~immediate preservation of the public peace, health, or safety~~
21 ~~within the meaning of Article IV of the Constitution and shall go~~
22 ~~into immediate effect. The facts constituting the necessity are:~~

23 ~~In order for this act to be submitted to voters at the earliest~~
24 ~~possible time, it is necessary for this act to take effect~~
25 ~~immediately.~~

26
27 _____
28 CORRECTIONS:

29 Text - Page 20.
30 _____